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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

In the Matter of:
Tateville Post Office
Tateville, Kentucky 42558

Docket No. A2011-14

UNITED STATES POSTAL SERVICE <u>COMMENTS REGARDING APPEAL</u> (June 27, 2011)

On May 3, 2011, the Postal Regulatory Commission (Commission) received separate correspondence postmarked April 28, 2011, from postal customers, Rebecca Kroell, Glenn D. Walker, and Nancy R. Walker (Petitioners), objecting to the discontinuance of the Post Office in Tateville, Kentucky. On May 4, 2011, the Commission issued a Form 56, Notice of Filing under 39 U.S.C. § 404(d). On May 9, 2011, the Commission issued Order No. 725, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). Also on May 9, 2011, the Commission received two additional pieces of correspondence from customers Bobby Davis and Renee Walker objecting to the discontinuance. On June 9, 2011, Petitioner² Renee Walker filed a Form 61, Participant Statement, in support of the petition. On June 15, 2011, Petitioners Bobby Davis, Rebecca Kroell, Glenn D. Walker, and Nancy R. Walker also filed separate Participant Statements. In accordance with Order No. 725, the administrative record was filed with the Commission on May 18, 2011.

¹ Order No. 725, Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d), PRC Docket No. A2011-14, at 1.

² In PRC Order No. 725, the Commission treats only three of the five letter writers as Petitioners. For purposes of this pleading, the term "Petitioners" includes all five individuals submitting correspondence in connection with this appeal.

The initial appeals and the five Participant Statements received by the Commission in this docket raise three main issues: (1) the effect on postal services, (2) the impact upon the Tateville community, and (3) the impact upon postal employees. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the Postal Service's statutory obligations and Commission precedent,³ the Postal Service gave consideration to a number of other issues, including the calculation of economic savings expected to result from discontinuing the Tateville Post Office. Accordingly, the determination to discontinue the Tateville Post Office should be affirmed.

Background

The Final Determination To Close the Tateville, Kentucky Post Office and Continue to Provide Service by Highway Contract Route Service (FD), as well as the administrative record, indicate that the Tateville Post Office provides EAS-11 level service to 138 Post Office Box customers, and retail customers 38.75 hours per week. FD at 1; Item No. 2, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet ("Fact Sheet"), at 1.4 The postmaster of the Tateville Post Office retired on July 7, 2007. A noncareer employee from a neighboring office was installed as the temporary postmaster relief (PMR). Upon implementation of the final determination, the PMR will return to her regular position at a nearby office.⁵

See 39 U.S.C. 404(d)(2)(A).
 In these comments, specific items in the administrative record are referred to as "Item ____

⁵ Item No. 33, Proposal, at 8; Item No. 7, Notice to State Senators and Congressmen, at 1,

The average number of daily retail window transactions at the Tateville Post Office is 16. Revenue has generally been low: \$21,970.00 in FY 2008 (57 revenue units); \$25,954.00 in FY 2009 (68 revenue units); and \$23,718.00 in FY 2010 (62 revenue units).⁶ The Tateville Post Office has no meter or permit customers. FD at 2; Item No. 2, Fact Sheet, at 1; Item No. 33, Proposal, at 4.

Upon implementation of the final determination, delivery and retail services will be provided by highway contract route delivery administered by the Burnside Post Office, an EAS-18 level office located two miles away, which has 900 available Post Office Boxes. FD at 2, 7; Item No. 2, Fact Sheet, at 1; Item No. 33, Proposal, at 4, 8. This service will continue upon implementation of the FD. FD at 2.

The Postal Service followed the proper procedures which led to the posting of the FD. Issues raised by the customers of the Tateville Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and FD, customers received notice through other means. Questionnaires were distributed to customers of the Tateville Post Office. FD at 2; Item No. 4, Questionnaire Instruction Letter from P.O. Review Coordinator to OIC/Postmaster at Tateville Post Office, at 1. A letter from the Manager of Post Office Operations, London, Kentucky was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Tateville Post Office was warranted, and that effective and regular service could be provided through highway contract route delivery

⁶ FD at 2: Item No. 2. Fact Sheet, at 1: Item No. 33, Proposal, at 4.

and PO Box and retail services available at the Burnside Post Office. The letter invited customers to complete and return a customer questionnaire and to express their opinions about the service they were receiving and the effects of a possible change involving highway contract delivery and PO Box services at the Burnside Post Office. Item No. 5, Letter to Customer. The returned customer questionnaires and Postal Service response letters appear in the administrative record in Item No. 23. In addition, representatives from the Postal Service were available at the Tateville Post Office for a community meeting on December 14, 2010, to answer questions and provide information to customers. FD at 2; Item No. 5, Letter to Customer; Item No. 25, Community Meeting Roster; Item No. 27, Community Meeting Analysis; Item No. 33, Proposal, at 4. Customers received formal notice of the Proposal and FD through postings at nearby facilities. The Proposal was posted with an invitation for public comment at the Tateville Post Office and the Burnside Post Office from January 18, 2011 to March 21, 2011. Item No. 32, Invitation for Comments on the Proposal to Close the Tateville Post Office; Item No. 36, Round-dated Proposals and Invitations for Comments from Affected Offices, at 1-2. The FD was posted at the same two Post Offices starting on March 29, 2011, as confirmed by the round-dated FD cover sheets that appear in the administrative record.

In light of the postmaster vacancy, a minimal workload, low office revenue,⁸ the variety of delivery and retail options (including the convenience of highway contract

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⁷ The FD reports that the proposal was posted "at the Burnside Post Office and Tateville Post Office from January 18, 2010 to March 21, 2010." FD at 5. However, the correct dates are shown in the round-dated stamped pages found at Item No. 36.

⁸ See note 6 and accompanying text.

delivery and retail service), 9 very little expected growth in the area, 10 minimal impact upon the community, and the expected financial savings, 11 the Postal Service issued the FD.¹² Regular and effective postal services will continue to be provided to the Tateville community in a cost-effective manner upon implementation of the final determination. FD at 2.

Each of the issues raised by Petitioners is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Tateville Post Office on postal services provided to Tateville customers. The closing is premised upon providing regular and effective postal services to Tateville customers.

Petitioners, in their letters of appeal, raise the issue of the effect on postal services of the Tateville Post Office's closing, noting the convenience of the Tateville Post Office and requesting its retention. Each of these concerns was considered by the Postal Service.

The effect of the closing of the Tateville Post Office on the availability of postal services to Tateville residents was considered extensively by the Postal Service. FD at 2; Item No. 33, Proposal, at 4. Upon the implementation of the Final Determination, services provided at the post office, such as the sale of stamps, envelopes, postal

⁹ FD at 4-5; Item No. 33, Proposal, at 2-4.

ltem No. 19, Expected Growth Memo.

11 FD at 7; Item No. 2, Fact Sheet, at 1; Item No. 29, Proposal Checklist, at 2; Item No. 33, Proposal, at 8.

cards, and money orders, will also be available from the carrier to a roadside mailbox located close to customers' residences. FD at 2-3; Item No. 33, Proposal, at 4-5; Item No. 5, Notice to Customers, at 5. Carrier service is beneficial to many senior citizens and those who face special challenges because they do not have to travel to the Post Office for service. FD at 3-4. In hardship cases, delivery can be made to the home of a customer. FD at 3.

Petitioner Nancy Walker raised the issue of mail security. This concern was addressed in the record. Specifically, the Postal Service is investigating the possibility of installing a Cluster Box Unit (CBU) for customers concerned about mail security. FD at 2-4; Item No. 33, proposal, at 5-6. CBUs provide the security of individually locked mail compartments and also have an outgoing mail receptacle. FD at 2; Item No. 33, Proposal, at 4-5. The Postal Service further advised that customers concerned about mail theft may also place a lock on their mailboxes. FD at 3-4; Item No. 33, Proposal, at 5. The mailbox must have a slot large enough to accommodate the customer's normal daily mail volume. FD at 4; Item No. 33, Proposal, at 4-5.

In addition to carrier service, customers may opt for Post Office Box service at the nearby Burnside Post Office. There are 900 Post Office Boxes available. FD at 2-3, 5; Item No. 33, Proposal, at 4-6. Customers will pay less for Post Office Box rentals at the Burnside Post Office than at the Tateville Post Office. Item No. 20, Post Office Survey Sheet, at 2. The Burnside Post Office also provides nonpostal services, such as the distribution of government forms. Item No. 33, Proposal, at 6. The Burnside Post

Office is handicap accessible, with a designated parking space and handicap accessible counters. FD at 3; Item No. 33, Proposal, at 5.

The Postal Service has considered the impact of closing the Tateville Post Office upon the provision of postal services to Tateville customers. Highway contract delivery provides similar access to retail service, alleviating the need to travel to the Post Office. FD at 3-5, 7; Item No. 24, Postal Customer Questionnaire Analysis, at 1-2; Item No. 27, Community Meeting Analysis, at 1; Item No. 33, Proposal, at 4-7, 8. PO Box service will still be available at the Burnside Post Office, two miles away. FD at 1-2; Item No. 27, Community Meeting Analysis, at 2; Item No. 33, Proposal, at 4-5. Thus, the Postal Service has properly concluded that all Tateville customers will continue to receive regular and effective service.

Effect Upon the Tateville Community

The Postal Service is obligated to consider the effect of its decision to close the Tateville Post Office upon the Tateville community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Tateville is an unincorporated community located in Pulaski County. The Pulaski County Sheriff's Department provides police protection. The community is administered politically by Pulaski County Fiscal Court, with fire protection provided by the Tateville Volunteer Fire Department. A number of churches are located in the Tateville

community. FD, at 6; Item No. 33, Proposal at 7. The questionnaires completed by Tateville customers indicate that, in general, the retirees, farmers, commuters, and others who reside in Tateville must travel elsewhere for other supplies and services.

See generally FD at 6; Item No. 23, Returned customer questionnaires and Postal Service response letters, at 2, 9, 12, 19, 22, 25, 31, 34, 36, 40, 43, 46, 49, 52, 55, 57, 61, 64, 67.

The Petitioners' letters of appeal raise the issue of the effect of the closing of the Tateville Post Office upon the Tateville community. This issue was extensively considered by the Postal Service, as reflected in the administrative record. FD, at 5; Item No. 33, Proposal at 8. The Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name. FD at 6; Item No. 33, Proposal, at 7-8. Communities generally require regular and effective postal services and these will continue to be provided to the Tateville community. For instance, the Postal Service noted that residents who are concerned about the loss of a bus stop may contact the county school board to determine if they would be willing to erect a small building, or contact neighboring businesses to ascertain if they would allow children to wait for the bus at their business. FD, at 6; Item No, 33, Proposal, at 7. The Postal Service also noted that residents who are concerned about the loss of the community bulletin board at the Tateville Post Office may visit public bulletin boards maintained by many local businesses or the public bulletin board at the Burnside Post Office. FD at 6; Item No. 33, Proposal, at 7.

Petitioners express concern that the Tateville Post Office is a landmark. That the Tateville Post Office plays a role in the community other than just providing postal services, and is perceived as a landmark, was considered by the Postal Service. FD at 6-7; Item No. 21, Community Survey Sheet, at 1; Item No. 24, Postal Customer Questionnaire Analysis, at 2-3. Postal Service personnel examined this matter and documented that the Tateville Post Office is not a state or national historic landmark. Item No. 21, Community Survey Sheet at 1. Petitioners also expressed concern about the loss of community identity. The Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of a community name. FD at 6; Item No. 33, Proposal, at 7; Item No. 24, Postal Customer Questionnaire Analysis, at 2; Item No. 27, Community Meeting Analysis, at 3. The record makes clear that the Postal Service is addressing this concern through preservation of the community identity by continuing the use of the Tateville name and ZIP Code in mailing addresses. FD at 6-7; Item No. 33, Proposal, at 7; Item No. 24, Postal Customer Questionnaire Analysis, at 3; Item No. 27, Community Meeting Analysis, at 3.

In addition, the Postal Service has concluded that nonpostal services provided by the Tateville Post Office can be provided by the Burnside Post Office. Government forms usually provided by the Post Office are also available by contacting local government agencies. FD at 6; Item No. 33, Proposal, at 7.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Tateville Post Office on the community served by the Tateville Post Office.

Effect on Employees

As documented in the record, the impact on postal employees is minimal. The postmaster retired on July 8, 2007. The Tateville Post Office did not have a noncareer postmaster relief (PMR). A noncareer employee from a neighboring office was installed as the temporary PMR. Item No. 33, Proposal, at 8. Upon implementation of the final determination, she will return to her position at another Post Office. The record shows that no other employee would be affected by this closing. FD, at 1, 7; Item No. 20, Post Office Survey Sheet, at 1. Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Tateville Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Economic Savings

Although not raised by the Petitioners, Postal Service officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that highway contract route service and PO Box service at the Burnside Post Office would cost the Postal Service substantially less than maintaining the Tateville Post Office and would still provide regular and effective service. Item No. 5, Letter to Customer, at 1. The estimated annual savings associated with discontinuing the Tateville Post Office are \$46,284.00. FD at 7.

Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies,

which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD, at 7; Item No. 33, Proposal, at 8.

The Postal Service determined that carrier service is more cost-effective than maintaining the Tateville postal facility and postmaster position. FD at 8. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Tateville Post Office on the provision of postal services and on the Tateville community, as well as the effect on postal employees, the economic savings that would result from the proposed closing and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Tateville customers. FD, at 8. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. §

404(d)(2)(A). The Postal Service's decision to close the Tateville Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Tateville Post Office be affirmed.

Respectfully submitted,

UNITED STATES POSTAL SERVICE By its attorneys:

Anthony F. Alverno Chief Counsel, Global Business

Christopher C. Meyerson James M. Mecone Attorneys

Yan Fu Summer Intern

475 L'Enfant Plaza, S.W. Washington, D.C. 20260-1137 (202) 268-7820; Fax -5628 christopher.c.meyerson@usps.gov June 27, 2011